

National Relocation Program (DNRP)



**US Army Corps
of Engineers**
Baltimore District

U.S. Army Engineer District, Baltimore
ATTN: CENAB-RE-N
P.O. Box 1715
Baltimore, Maryland 21203-1715

IMPORTANT NUMBERS

DEPARTMENT OF DEFENSE NATIONAL RELOCATION PROGRAM (DNRP)

U.S. Army Engineer District, Baltimore
Real Estate Division
National Relocation Program Office (CENAB-RE-N)
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Point of Contact: _____

ASSOCIATES RELOCATION MANAGEMENT COMPANY, INC.

Client Services Counselor (CSC) 1-800-523-3267

Marketing Services Specialist (MSS)

Name

Phone

Destination Services Specialist (DSS)

Name

Phone

TO: All DOD Civilian Employee

SUBJECT: Department of Defense National Relocation Program (DNRP)

DNRP is a program designed to assist the eligible and authorized DOD civilian employee to relocate from one duty station to another. Its primary benefit, known as Guaranteed Homesale, offers an optional alternative to the PCS reimbursement process for those authorized employees who must sell their primary residences. It also offers other valuable services which can greatly help in their relocation. Some of these services are at no cost to both the Government and to the transferring employee. DNRP is not mandatory, but may be used at the sole discretion of the transferring employees accorded relocation services by their command.

This handbook is an important guide to aid you in understanding the DNRP. The services discussed herein are provided by Associates Relocation Management Company, Inc. (ARMC), a national relocation services contractor evaluated by a joint panel of representatives of the major DOD components, and selected through competitive contracting procedures required by the Federal Acquisition Regulations.

The U.S. Army Corps of Engineers is the DOD executive agent for the DNRP. The National Relocation Program Office (NRPO) located in the Corps' Baltimore District Real Estate Division is responsible for administering the DNRP. The NRPO staff can be reached at 1-800-344-2501. We are anxious to help you with any aspect of DNRP. In addition, ARMC has Marketing Services Specialists (MSS) available to help you through the relocation process. An MSS will be assigned to you after you have been approved for the DNRP by your command and processed into the program by the NRPO. You may obtain general program information from ARMC at any time by calling 1-800-523-3267.

It is the goal of the DNRP to assist you during what can be a very trying time by offering you a fair and equitable alternative for selling your home. If it appears to you that there is any impropriety in the process, you are encouraged to report the circumstances to the NRPO. We here in the NRPO, as well as ARMC, take these matters very seriously. In order for the Government to process allegations of impropriety, they must be in writing with all details included, and signed by the individual(s) concerned. Your allegations may result in a formal investigation.

Once again, we stress the importance of your using this handbook to gain a good understanding of the DNRP. We are available to assist you at any point in the process to make your relocation as smooth as possible. After you have used the program, please take a moment to complete the DNRP EVALUATION FORM (Appendix 9). We want to know what you think of the DNRP, so that we can improve our service to other DOD employees.

We wish you all the best in your transfer, and look forward to working with you during your relocation.

The NRPO Staff

FRAUD, WASTE, and ABUSE

The DNRP is administered in accordance with the provisions of the Joint Travel Regulations. Any violation of these regulations by the employee may result in discontinuation of services received under the DNRP and referral to appropriate authorities for investigation and possible disciplinary action.

DOD CIVILIAN EMPLOYEE NATIONAL RELOCATION PROGRAM HANDBOOK

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***Appendixes 1, 3, 4 And 9 Are Perforated For Your Convenience.

SECTION 1

INTRODUCTION

SECTION

This handbook provides guidelines and general information about the Department of Defense National Relocation Program (DNRP). It describes:

1. Relocation services provided under the contract;
2. Who determines eligibility for services under the contract;
3. Procedures for requesting and using relocation services; and
4. Administrative responsibilities of the program.

You should take special note that this handbook is a generic guide intended for the use of civilian employees of all DOD components and activities. Some components and activities, however, may have internal procedural requirements which are unique to their organizations, and which may not be compatible with normal DNRP administrative procedures and responsibilities discussed in sections 6 and 10 of this handbook. Before beginning the DNRP process, you should check with your Human Resources/Civilian Personnel Office for possible additional instructions.

Regardless of variations in administrative processing procedures, the relocation contract services and DNRP requirements otherwise discussed in this handbook apply to all authorized DOD civilian employees who choose to avail themselves of the services of this program.

The DNRP is an important benefit for transferring DOD civilian employees. It offers significant improvements to the standard Permanent Change of Station (PCS) entitlements.

Guaranteed Homesale Service (GHS) will not be authorized for every transferring employee. Contact your Human Resources Office (HRO) to determine your Component or Defense Agency eligibility criteria.

As a transferring employee, your evaluation of the services you receive is a key element in managing the DNRP effectively. When you have completed the relocation, please take a moment to evaluate the service. There is a form for this purpose at the end of this handbook. Your comments will help us to assess and improve the DNRP.

SECTION 2

RELOCATION SERVICES

DOD's contract with Associates Relocation Management Company, Inc. (ARMC) provides a number of services to assist you with your relocation.

- I. Services currently available at no cost to employee or DOD:
 - A. Client Services Counseling
 - B. Destination Services:
 1. Homesearch for Buyers
 2. Homesearch for Renters
 3. Mortgage Counseling
 - C. These no-fee (free) services are available for all relocating civilian employees, and may be obtained by contacting ARMC directly.
- II. Fee-Paid Relocation Services currently available to authorized DOD civilian employees. DOD pays the fee for these services. Guaranteed Homesale Service must be authorized by your Component or Defense Agency on the Relocation Services Request Form and on your Travel Orders (DD Form 1614):
 - A. Guaranteed Homesale with Marketing Assistance
 - B. Property Management

SECTION

2

SECTION 3

DOD NATIONAL RELOCATION PROGRAM POLICY

SECTION

Each DOD Component or Defense Agency establishes the eligibility criteria for its organization under the requirements of the Joint Travel Regulations (JTR). The general requirements for the program are summarized below.

Any DOD civilian employee considering, or in the process of, relocating may use Client Services Counseling, and Destination Services. These are no-fee services which you may use at any time by contacting Associates Relocation Management Company, Inc. (ARMC) directly.

- I. Eligibility for Permanent Change of Station (PCS) Expenses and DNRP.
Generally, you are entitled to reimbursement for, or payment of, reasonable and actual eligible expenses incurred during a PCS move within the United States, its territories or possessions, and from overseas when returning to a duty station which is different from the one you departed, if:
 - A. You are a current Government employee;
 - B. Your relocation is primarily in the interest of the Government and not for your personal benefit;
 - C. You have signed a service agreement obligating you to remain in Government service for 1 year.
 - D. Your PCS expenses are incurred within 2 years of your report date, or 3 years if an extension is granted; and,
 - E. Your expenses are within definitions of the JTR. (See JTR, Volume II for specific PCS information.)
- II. Eligibility for DNRP (Fee Services). Generally, you are eligible for Guaranteed Homesale Service (GHS) and Marketing Assistance, or Property Management if you meet the requirements for PCS and:
 - A. You are authorized to use these services by your Command; and,
 - B. Your residence meets the criteria established by the JTR and the GHS program.

- III. Purpose of DNRP (Fee Services). The intent of the DNRP is to provide assistance to relocate promptly. This portion of the program minimizes family separation and encourages productivity at your new duty station.
- A. In order to minimize temporary quarters cost, you should begin using the relocation fee services as soon as they are authorized.
 - B. GHS must be completed (contract of sale executed by both you and ARMC) before your PCS entitlement period expires.

SECTION 4

CLIENT SERVICES COUNSELING

SECTION

Associates Relocation Management Company, Inc. (AMRC) Client Services Counselors (CSC) are available from 8:00 AM Eastern Standard Time through 5:00 PM Pacific Standard Time at (toll free) 1-800-523-3267 to give you information about the DOD National Relocation Program (DNRP) before you accept a transfer or at anytime during your relocation. The CSC is available to:

- A. Provide general information on DOD relocation policy and services, or refer you to appropriate contacts for specific interpretation of policy and/or contract requirements;
- B. Assist in selecting, planning, and scheduling relocation services to meet your family needs and time requirements;
- C. Inform you about current procedures for requesting and ordering both fee and free relocation services as appropriate;
- D. Assist you to prepare and list your home for sale;
- E. Arrange for qualified real estate firms in the new area to provide information about communities, housing, schools, etc.--important considerations in making your decision to relocate;
- F. Assign to you a Destination Services Specialist (DSS) at your final destination area;
- G. Assist you in finding temporary quarters; and,
- H. If you are authorized the Guaranteed Homesale Service (GHS), assign a Marketing Services Specialist (MSS) to you at the time ARMC has received your GHS order from the National Relocation Program Office (NRPO).

SECTION 5

SECTION

DESTINATION SERVICES

Associates Relocation Management Company, Inc. (ARMC) offers Destination Services at no charge to you or DOD through its Destination Services Specialists (DSS) and its network of brokers. DOD recommends you use Destination Services to help you make wise buying, mortgage, or renting choices at your new duty station. You may request Destination Services by calling (toll free) 1-800-523-3267.

Under the Joint Travel Regulations (JTR), many of the expenses you incur in connection with the purchase of a new residence and securing a mortgage are reimbursable. You must submit a voucher for these expenses through your servicing Human Resources Office (HRO). The DOD National Relocation Program (DNRP) Contract with ARMC does not pay any closing and mortgage expenses.

- I. Homesearch for Buyers. A DSS from ARMC can assist you in planning your house-hunting trip and arranging for qualified real estate brokers to provide information and services to help you make a wise home buying decision. Upon your request to the Client Services Counselor (CSC), a DSS will:
 - A. Contact you to discuss your new area, your lifestyle, and your specific family needs. Your DSS will send you a Relocation Kit about the new area that will assist in your homesearch process;
 - B. Recommend a professional, qualified real estate firm to assist you in the new area. The real estate broker will contact you within 24 hours of referral by your DSS;
 - C. Assist you to plan and schedule a house-hunting trip. When you arrive for your house-hunting trip, your Realtor will act as your guide to the new area, take you and/or your spouse on an area tour and visit communities that meet your lifestyle requirements;
 - D. Arrange for your broker to prepare a written competitive market analysis on the property you select to enable you to compare your prospective property with similar properties in the community. The analysis also will help you make an informed home-buying choice and will suggest an appropriate price and terms for negotiating the purchase; and,
 - E. Direct your broker to advise you about any inspections which may be appropriate and assist you to include contingencies for them in your contract of purchase.

NOTE: CALIFORNIA RESIDENTS. California Law requires that unless there is a specific exemption, if the seller's last known address is out-of-state, 3-1/3 percent of the sale price of real property must be withheld by the buyer and forwarded to the Franchise Tax Board. Therefore, we strongly recommend that any employee moving to California obtain the appropriate homeowner's property tax exemption immediately upon purchasing a home. Other states may have similar requirements; check with the local Board of Realtors.

- II. Mortgage Counseling and Mortgage Finding. Your DSS from ARMC will counsel you about finding a mortgage that meets your financial requirements and qualifications. The DSS will discuss with you your financial needs and:
 - A. Inform you about the types of mortgages, rates, fees, caps, margins, lender qualification requirements, and the availability of financing in the new area;
 - B. Pre-qualify you for a mortgage (without any application fees) before you go on your homesearch trip; and
 - C. Refer you to local and national lending institutions so that you may compare interest rates and types of loans available.
- III. Homesearch For Renters. The DSS will counsel and assist you to find suitable rental housing at your new duty station. Your DSS will:
 - A. Discuss with you your housing, lifestyle and scheduling requirements;
 - B. Send you a Relocation Kit with information about the new area to help in the house-hunting process; and
 - C. Recommend a qualified broker or professional rental management agency knowledgeable about the rental market in the new area.

NOTE: In some areas of the country, rental brokers may charge a "finder's fee", usually a percentage of your first month's rent. This fee is your responsibility. It is not covered by Destination Services, nor is it reimbursable by the Government.

SECTION 6

OBTAINING DOD NATIONAL RELOCATION PROGRAM (DNRP) SERVICES

SECTION

You should take special note that this section is a generic guide intended for the use of civilian employees of all DOD components and activities. Some components and activities, however, may have internal procedural requirements which are unique to their organizations, and which may not be compatible with normal DNRP administrative procedures and responsibilities discussed in sections 6 and 10 of this handbook. Before beginning the DNRP process, you should check with your Human Resources/Civilian Personnel Office for possible additional instructions.

Regardless of variations in administrative processing procedures, the relocation contract services and DNRP requirements otherwise discussed in this section apply to all authorized DOD civilian employees who choose to avail themselves of the services of this program.

I. Initiating DNRP Services:

RELOCATION SERVICES ARE NOT INITIATED FOR YOU AUTOMATICALLY. If DNRP fee-paid services are approved by your Command, it is up to you to request DNRP assistance, and participate actively in the program.

- A. Information and Forms: If, after reading this handbook, you want to know about how the services work, or how your particular situation would be treated under DOD relocation policy, call:
1. Associates Relocation Management Company, Inc. (ARMC) Client Services Counselor (CSC) at 1-800-523-3267; or,
 2. The National Relocation Program Office (NRPO) in Baltimore, Md., at (410) 962-3166 or 1-800-344-2501;
- B. You may get relocation request forms or more copies of this handbook from any HRO.

NOTE: It is your responsibility, and to your benefit, to be aware of DOD regulations and policies concerning all aspects of your PCS transfer. Read this handbook carefully. Note important contact names and phone numbers. Follow-up on your paperwork.

- II. Requesting DNRP Services. A "Relocation Services Request Form" is included in each handbook and may be reproduced.
 - A. Complete the "Relocation Services Request Form" accurately following the instructions in Appendix 2. Return it promptly to your HRO. It is essential that work and home telephone numbers are legible. Almost all of your contacts with ARMC and NRPO will be by telephone.
COMMERCIAL TELEPHONE NUMBERS ONLY.
 - B. No request form is necessary to call a CSC for Destination Services. There are no costs associated with these services.
- III. HRO Authorization. If you request Guaranteed Homesale Service (GHS), your Human Resources Office (HRO) will:
 - A. Verify that you are authorized GHS and that your residence meets the program's requirements;
 - B. Prepare and/or amend your travel orders to include authorization for GHS;
 - C. Send a copy of your request form and travel orders to the NRPO; and,
 - D. Amend your travel orders to increase fund obligation, if requested by the NRPO. (If you subsequently decide not to accept ARMC's offer, your PCS sale expense entitlement will be reinstated. No dual benefits will be allowed.)
- IV. NRPO Order to ARMC. Within 1 day of receipt of your approved request the NRPO will contact you.
 - A. The NRPO's Contracting Officer will issue a delivery order to ARMC, usually within 5 working days of the NRPO's call to you.
 - B. Your CSC will contact you within 1 working day of receipt of the delivery order.
 - 1. If you have not heard from NRPO or ARMC within 10 working days from your HRO's receipt of your request form, call the HRO to verify that your request form and travel orders were sent to the NRPO.
 - 2. If your HRO has faxed your request form and travel orders, contact the NRPO.

- V. Changing Services. If you change your mind about using DNRP or your schedule changes, contact your HRO to add or delete GHS on your travel orders. If you are not going to use the service immediately, do not submit the request form to the NRPO.
- A. Contact the NRPO or your CSC with questions about GHS, difficulty in reaching GHS Counselors, or ordering procedures; and/or,
 - B. Contact your CSC for Destination Services assistance, status of your service, or general information about the DNRP.

SECTION 7

SECTION

MARKETING ASSISTANCE

The Marketing Assistance Service is designed to help you actively market your home and obtain the highest price possible. The goal of this service is to get an Amended Value Sale which may net you a greater amount than the appraised value under the Guaranteed Homesale Service (GHS) offer.

- I. Your Associates Relocation Management Company, Inc. (ARMC) Marketing Services Specialist (MSS) will:
 - A. Recommend listing brokers;
 - B. Analyze the marketing strategy and make suggestions;
 - C. Review properties currently on the market and those recently sold to help you set a realistic list price; and,
 - D. Identify any repairs or improvements that may expedite the sale of your home.
- II. Listing Your Property
 - A. Choose a Multiple Listed Broker who is familiar with the relocation process.
 - B. Ask for and review the brokers marketing plan and Broker Price Opinion (BPO) or Broker Market Analysis (BMA).
 - C. Ensure the listing agreement includes the Exclusion Clause (Appendix 3) as an addendum. (This exclusion will protect you from paying commissions in the GHS process. Liability for paying selling commissions rests with the homeowner if the Exclusion Clause has not been incorporated into the Listing Agreement; this is not reimbursable).
 - D. DNRP policy requires that your home be listed for at least 60 days before you can accept the GHS offer from ARMC.
- III. Setting the Listing Price
 - A. Examine the competition and recent comparable sales;
 - B. Determine comparable sales by considering homes located close to yours that have sold within the last 6 months.
 - C. Visit those homes and compare them to yours.

IV. Recommendations for Maximizing Market Value--One of the most important factors influencing potential buyers and appraisers is the condition of your home.

- A. Maintain "move-in condition" (i.e., neat, clean and uncluttered).**
- B. Do not neglect the exterior of your house. Keep lawn mowed and walkways clear of ice and snow.**
- C. Clean the carpet; paint the walls a neutral color to enhance resale price potential.**
- D. Do not start any major improvements or remodeling.**
- E. For additional Home Marketing tips, see Appendix 7.**

SECTION 8

GUARANTEED HOMESALE SERVICE (GHS)

SECTION

GHS is provided as authorized by your activity's eligibility criteria policy and is an alternative to your Joint Travel Regulations (JTR) real estate sale expense reimbursement entitlement. It can relieve you of the burden of selling your home, waiting for the sale to close to receive your equity, and submitting vouchers for reimbursement of real estate sale expenses.

- I. A Marketing Services Specialist (MSS) will be assigned to you when you are authorized GHS and will:
 - A. Provide you with a GHS Offer for your residence;
 - B. Help you market your home with the goal of obtaining a higher Amended Value Offer (See Marketing Assistance Service, Section 7);
 - C. Determine, based on the Guaranteed Homesale Offer, the minimum equity available on your home so that you may purchase another home at your new duty station; and,
 - D. Assist you to obtain an equity advance of up to 75 percent of your home's equity, based on its appraised value. You may obtain this advance from Associates Relocation Management Company, Inc. (ARMC) before you accept their offer. The equity advance must be used to purchase a residence at your new duty station or to make required repairs or remediations on the residence at your old duty station.
- II. Definition of "Residence" for GHS Purposes.

To be eligible for GHS, your home must be:

 - A. Your primary residence from which you commuted regularly at the time you were notified of your transfer (An employee returning from an overseas assignment to a location that is different from the one he or she departed is excepted from this requirement.);
 - B. In title to you and/or eligible dependents at the time you were notified of the transfer; and,

- C. Residential property (including condominiums) that is constructed completely, financeable, insurable, in conformance to local legal requirements for sale, and considered real property in the location.

NOTE: Mobile homes, cooperative housing, houseboats and other residences on non-permanent foundations or located on land not owned by you are NOT eligible for GHS.

- D. Free of hazardous conditions.

1. You are responsible for the remediation of any hazardous conditions.
2. ARMC will advise and assist you with corrective measures.
3. The cost of remediation is the responsibility of the employee and is not reimbursable. An Equity Advance may be used for this purpose.
4. An offer will be tendered contingent upon satisfactory remediation of the hazardous conditions; however, you cannot accept the offer until these conditions are corrected.

III. Getting Started. You are required to market your home for at least 60 days prior to accepting the Guaranteed Homesale Offer from ARMC in order to try to obtain an Amended Sale Offer (see paragraph VIII). When ARMC receives an order from the National Relocation Program Office (NRPO), a Client Services Counselor (CSC) will contact you usually within one working day to coordinate GHS and Destination Services and assign a Marketing Services Specialist (MSS) to you. Your MSS will explain the GHS Program, obtain and/or verify information about you and your home, send you information and forms about the program, and give you a list of appraisers. Read the ARMC package carefully, and promptly complete and return the necessary forms.

IV. The Appraisal Process. Your MSS will give you a list of local qualified, professional appraisers who meet ARMC qualifications and performance standards. All Appraisers on this list are independent fee appraisers with professionally recognized designations. You will select 3 appraisers. The appraisal process usually takes approximately 30 days from the time you select the appraisers. If a third appraisal must be ordered, the process could take an additional 10 days. Time frames may vary according to appraiser availability. You may request appraisers who are not on ARMC's list however, ARMC must verify their qualifications to perform residential relocation appraising. If they meet these qualifications they will be contacted to do the appraisal. If they do not qualify you will be notified. You are encouraged to interview appraiser(s) before you make your selection. (The guidelines for appraiser qualifications are at Appendix 5.)

- A. The appraisers must be full-time professional, residential real estate appraisers, with no personal or financial interests in your property, and who have not appraised your property within the past 6 months. They must be qualified to perform Employee Relocation Council (ERC) appraisals within the time limits and service requirements of ARMC.
- B. ARMC will contact your first two appraiser choices to appraise your home. Your third appraiser will be used if the first two appraised values differ by more than 10 percent of the higher value.
- C. The appraiser will appraise the property in an "as is" condition, (the condition of the property at the time of the appraisal). If your home needs repairs or maintenance work, the appraisers will reflect this in their values. You are encouraged to do any repairs or maintenance prior to beginning the appraisal process.
- D. To prepare for the appraisal, you should list the most recent sales of homes that are similar to yours, in the same or similar neighborhood (you may use the Market Approach Appraisal Form - Appendix 6). List any improvement that is not apparent (updated plumbing or additional insulation) and any personal property that will convey with the house (drapes or appliances). Give the lists to each appraiser. All improvements under way should be completed before the appraisal.
- E. The appraisals will be based on the most recent real estate sales including any new construction that, in the appraiser's opinion, are most comparable to your property. A relocation appraisal reflects the sales value of your property if exposed to the market for a maximum of 120 days or the normal marketing period in your area, whichever is less. Current market conditions in your area will affect your appraised value. The appraisals are not based on your purchase price, or your mortgage balance. The appraiser's value is not reduced in any way.
- F. If the two appraised values are within the approved variance of 10 percent, their average determines ARMC's Guaranteed Homesale Offer. If the values are not within the 10 percent variance, a third appraisal is ordered. The Guaranteed Homesale Offer will then be the average of the two closest appraisals; or all three if they are equally-distant.
- G. If, after reviewing the appraisal process, you believe that the current market value of your home is not reflected accurately, you may submit a written request for reconsideration to your MSS. **THIS REQUEST MUST BE MADE WITHIN 21 DAYS OF ARMC'S VERBAL OFFER.** The request should include 3-5 comparable sales that were closed before appraisals but not used by the appraisers. (You may obtain these comparables from your real estate agent.) Submit this information, along with any other information you believe pertinent, to the appraisers for reconsideration. You will receive a copy of the appraiser's written response. You may review it with your MSS.

V. While Your Home is Being Appraised, ARMC will also order:

- A. A title search and the necessary inspections required in your area as suggested by the age, style, and location of your home, or as requested by the appraisers.**
 - 1. If the inspections reveal conditions not considered by the appraisers (structural problems, roof repairs, etc.), ARMC will obtain estimates of the cost to correct the condition and will share the inspections and estimate with the appraisers who may reflect the cost-to-cure in their evaluations.**
 - 2. If the inspections reveal building code or legal violations, the cost to correct the violations will be deducted from your equity, if you do not make the repairs yourself. If you elect to make the repairs, you cannot accept an ARMC offer until the repair work is completed and reinspected.**
- B. A Broker's Market Analysis (BMA) will be prepared by a local real estate broker. The BMA is not used to calculate your offer. It is an information-only market analysis which your MSS will use to assist you with marketing your home and to verify appraisal data.**

VI. Listing Your Home For Sale. You must market your home for at least 60 days (before you may accept a Guaranteed Homesale Offer) by listing it with a qualified broker. The listing agreement MUST include an "Exclusion Clause" (see Appendix 3) which protects your right to sell your home directly to ARMC. Contact the NRPO if you need assistance.

- A. Your MSS will recommend one or more listing brokers, advise you on marketing strategy, and assist you to negotiate any offers you receive which may result in a higher offer or "Amended Sale".**
- B. If your real estate agent is reluctant to include the Exclusion Clause in your listing contract, contact your MSS or NRPO.**
- C. The 60-day listing requirement may be waived for compelling reasons, such as:**
 - 1. The impending expiration of the two year time limitation for completing your real estate transactions.**
 - 2. An impending foreclosure on your current residence.**
 - 3. More than 75 percent of your equity is needed to close on a new house. (You must continue to market your residence until the closing of your new home.)**
 - 4. Humanitarian reasons, such as, a family member's ill health.**

5. Command documented reasons for your expeditious transfer to the new duty station.

VII. The Offer. When the appraisals and inspections are complete, your MSS will call you with a verbal offer. The Offer Package, which includes the contract of sale, other required documents, and copies of appraisals and inspections will be mailed to you within 3 working days of making this verbal offer.

- A. The offer is valid for a 60-day acceptance period beginning on the date it is telephoned to you (unless your PCS reimbursement eligibility expires prior to that date). You may accept the offer at any time during the acceptance period if your residence has been listed for at least 60 days at the time of your acceptance. (You should market your home for as long as your circumstances will allow--you may receive a higher offer.)
- B. The 60-day acceptance period will not be extended.
- C. If you have a tenant in the property, the tenant must vacate before you accept ARMC's offer.
- D. Read the terms of the contract carefully--it is a legal and binding agreement between you and ARMC.
- E. It is your responsibility to deliver a saleable property, including clear, marketable title; permits; access; and surveys as necessary. You may not accept a Guaranteed Homesale Offer until the property is in saleable condition.

VIII. Higher Offers-Amended Sale. If you receive an acceptable, bona fide offer for your home from an outside buyer that will net you an amount equal to or greater than the ARMC offer, ARMC may amend (raise) its offer to a comparable level to the net higher offer amount. If you receive a higher offer, contact your MSS immediately. **You may not use the Guaranteed Homesale Service if you sign an offer or accept a deposit!**

- A. ARMC will review the offer to ensure: it is bona fide; the buyer is qualified to purchase your home at the price and terms specified; the offer represents a higher net market value; and it meets criteria set forth in the ERC 11-Point Program for Amended Value Option policy guidelines for an amended sale. (See Appendix 8.)
- B. To determine the net equity, the MSS will deduct expenses not reimbursable under the JTR (discount points, repairs or improvements, etc.)

- C. A contract contingent on the buyer selling his/her home or one with unusual terms or conditions is not acceptable. An amended offer may be contingent only on financing.

IX. Payment of Your Equity. Your equity is the difference between the appraised or amended value of your property minus the unpaid balance of your mortgage(s), any liens, your share of property taxes, mortgage interest, condominium or homeowner's association fees, etc., due up to the date of closure with ARMC.

A. **Equity Loan Prior to Accepting the ARMC Offer.** Before you accept the offer, you may obtain an interest-free equity loan of up to 75 percent of your equity, (based on the offer) to purchase a new home or make necessary repairs on your present home. Your equity loan, will be paid by wire transfer or ARMC check within 5 business days after ARMC receives all required paperwork. If you decide not to accept ARMC's offer, the Equity Loan must be repaid immediately. ARMC will charge a \$225.00 administrative fee. If you do not repay promptly, ARMC may take legal action to recover the funds.

1. ARMC may secure the loan by placing a second deed of trust on your property.
2. If you accept the Guaranteed Homesale Offer, you will receive payment for the balance of your equity within 5 business days of your acceptance of the offer.

B. **Equity Payment After Accepting Appraised or Amended Value Offer.** Upon receiving a signed and notarized contract of sale and other documents, ARMC will pay you at least 95 percent of your net equity. The balance is held until you vacate the property. If the property is not in its appraised, "broom-clean" condition, the cost of removing articles and debris, or repairs will be deducted from the balance.

1. If you vacate your property before accepting the Guaranteed Homesale Offer and the property is left in appraised, "broom-clean" condition, you will receive 100 percent of the equity when you accept the offer.
2. Your equity will be paid by wire transfer or ARMC check within 5 business days after you return the signed contract and ARMC counter signs the contract of sale.
3. If your offer is less than your mortgage balance and you accept the offer, you will be required to pay ARMC the difference between the offer and the mortgage balance. These funds are due at acceptance.

4. You are responsible for maintenance and carrying costs (mortgage payments, utility bills, etc.) on your home until you accept the appraised or amended value offer or until you vacate the property, whichever is later.
 5. You will receive a detailed "Equity Statement" with your equity check. Review it carefully and contact your MSS if you have any questions. This document is your closing statement with ARMC.
- X. Vacating Your Home. After you accept the offer, you have 30 days to vacate your home. This 30-day period will not be extended. Your MSS will discuss the vacating arrangements with you. If there is a change in your plans, notify the MSS immediately.
- A. During the 30-day period, ARMC will be marketing the property and obtaining any bids/inspections necessary. You must make your property available for marketing.
 - B. ARMC will send your mortgage company an insurance policy effective the day you accept the offer. The policy will cover the house only. You are responsible for maintaining insurance coverage on your household goods.
 - C. You must leave the property "broom-clean" and in the same condition as when it was appraised.
- XI. Pro-Rata Payment of Guaranteed Homesale Services (GHS) Fee. You must share the GHS fee with the Government on a pro-rata basis if:
- A. The appraised value of your residence exceeds \$500,000 (The funding activity may waive the \$500,000 cap.);
 - B. Your property includes more land than reasonably relates to your residence;
 - C. Part of the property produces income;
 - D. You hold title to the property with a non-eligible individual, e.g., a divorced or separated spouse. (The co-owner's eligibility is established on the date the employee was first officially notified of his/her transfer to the new duty station.);
 - E. Arrangements to pay your pro-rata share of the GHS must be made with ARMC before you may accept its offer.
- XII. Prohibition Against Dual Payments or Benefits. GHS is an alternative to selling your home yourself and being reimbursed for real estate sale expenses.

- A. If the Government incurs a cost because you do not use the GHS, you may not receive reimbursement for duplicate expenses. For example; if, after rejecting the ARMC offer, you get an appraisal to help you set a listing price, you may not be reimbursed for the cost of that appraisal. The Government already paid for appraisals under the GHS process and would not pay for another. However upon your request, ARMC will give you copies of any documents already paid by the Government.
- B. Your agency may accord you GHS for each PCS. If you reject ARMC's offer, you may not use the GHS again for that PCS. Under certain circumstances, however, your Component or Defense Agency may authorize you to use GHS again if you repay the costs the Government incurred as a result of the first GHS.
- C. If a waiver is granted, you must repay the costs of the first request (appraisal fees, inspection fees, title search, etc.) before the National Relocation Program Office (NRPO) will process the second request.

XIII. Payment for Services. DOD will pay a fee for Guaranteed Homesale Service and Property Management. You will not be required to submit any voucher in connection with the sale of your home with relocation services.

- A. When the GHS is completed, ARMC will invoice the NRPO. The NRPO will sign as the receiving agent and approve payment by the Finance and Accounting Office.
- B. If you are responsible for a pro-rata share of the Contractor's fee, you will be notified before you sign the contract. You and ARMC must agree on how your share of the fee will be paid before you may accept the ARMC offer.
- C. Currently there is no income tax liability for the fee paid to the contractor to assist you with the sale of your home. You are responsible, however, for all normal Federal and State taxes, including capital gains.

SECTION 9

PROPERTY MANAGEMENT SERVICES

SECTION

Your Command may authorize Property Management Services for you if your transfer is a temporary assignment, or you expect to return to your current duty station. Property Management will allow you to rent your home and return to it at the end of your assignment. If you elect to use the Property Management Program, you may not use the Guaranteed Homesale Program pursuant to the same PCS.

- I. When NRPO notifies ARMC that you are using the Property Management Service, a Property Manager will be assigned to you. Your Property Manager will:
 - A. Help you develop a rental marketing strategy;
 - B. Establish a market rental value;
 - C. Find a tenant and negotiate a lease;
 - D. Collect and account for rental income;
 - E. Pay mortgage and other carrying expenses from rental proceeds and funds provided by you;
 - F. Inspect the property at least once per quarter;
 - G. Arrange for required repairs and maintenance;
 - H. Handle all tenant negotiations; and
 - I. Report to you on a quarterly basis about your property and Reserve Operating Account (ROA).
- II. Time Limit. Property Management will be provided for up to 2 years at the expense of the DOD activity.
- III. Reserve Operating Account (ROA). You must establish and maintain an account with funds for at least one month's mortgage payment.
 - A. The Property Manager will deposit the rental income in this account and pay mortgage, repairs, and maintenance from it. Failure to maintain a minimum balance in the ROA could result in termination of Property Management Services.

B. ARMC will pay expenses for establishing the rental value and finding a tenant (including broker commissions or advertising expenses).

IV. Getting Started. Fill out top portion of Relocation Services Request Form (Appendix 1) and return it to your servicing HRO.

SECTION 10

SECTION

ADMINISTERING THE DOD NATIONAL RELOCATION PROGRAM (DNRP)

You should take special note that this section is a generic guide intended for the use of civilian employees of all DOD components and activities. Some components and activities, however, may have internal procedural requirements which are unique to their organizations, and which may not be compatible with normal DNRP administrative procedures and responsibilities discussed in sections 6 and 10 of this handbook. Before beginning the DNRP process, you should check with your Human Resources/Civilian Personnel Office for possible additional instructions.

Regardless of variations in administrative processing procedures, the relocation contract services and DNRP requirements otherwise discussed in this section apply to all authorized DOD civilian employees who choose to avail themselves of the services of this program.

- I. The U.S. Army Corps of Engineers (USACE) administers the DNRP for the Department of Defense worldwide following relocation policy established by the Civilian Personnel Management Service (CPMS) and the Components and Defense Agencies. The following organization has been established to manage the DNRP:
 - A. National Relocation Program Office (NRPO) located in the Baltimore District, USACE which includes:
 1. The Chief of NRPO acts as Program Manager for DNRP and Contracting Officer's Representative (COR) for the relocation contract; and,
 2. The NRPO Staff who:
 - a. Coordinates relocation services with Human Resources Offices (HRO) and transferring employees;
 - b. Counsels employees;

- c. Provides direction to HRO's, Finance and Accounting Offices (FAO), Associates Relocation Management Company, Inc. (ARMC) and transferring employees; and,
 - d. Reviews invoices and appraisals before approving payment.
 - B. Contracting Division, Baltimore District, USACE who:
 - 1. Places orders against the contract; and,
 - 2. Amends orders to increase or decrease funds as needed.
- II. Transferring Employee's HRO is responsible for:
 - A. Communicating DOD and Component or Defense Agency relocation policy;
 - B. Identifying employees authorized for DNRP services;
 - C. Providing a copy of the DNRP handbook along with Permanent Change of Station (PCS) forms;
 - D. Authorizing relocation services on PCS travel orders;
 - E. Transmitting relocation services request forms and travel orders to the NRPO; and,
 - F. Amending travel orders to increase funding obligations as necessary.
- III. Transferring Employees's FAO is responsible for:
 - A. Certifying that funds are available for relocation services on the request form;
 - B. Providing fund citation and correct mailing address to the NRPO; and,
 - C. Paying ARMC invoices in accordance with the Prompt Payment Act.
- IV. ARMC is responsible for:
 - A. Providing relocation services in accordance with contract terms and within time frames specified in the contract; and,
 - B. Communicating status, concerns, and issues to employees and NRPO.
- V. Transferring employees who have been accorded DNRP are responsible for:
 - A. Requesting initiation of applicable services;

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- B. Listing the property with a reputable Realtor using the Exclusion Clause as part of the listing agreement;
 - C. Understanding and complying with DOD policy, contract requirements, and ARMC procedures;
 - D. Leaving utilities connected and on;
 - E. Maintaining insurance until the property is vacated or until the GHS offer is accepted, whichever is later;
 - F. Leaving home in "broom clean" condition; and
 - G. Completing service evaluation forms provided by ARMC and the DNRP Evaluation Form in this handbook. (See Appendix 9)